



News

For Immediate Release

September 7, 2006

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TRS Earns Strong Returns, Top Rankings in FY2006

SPRINGFIELD-The Teachers' Retirement System of the State of Illinois (TRS) earned 12.2 percent on its investments during the fiscal year that ended June 30, 2006, exceeding its benchmark of 11.3 percent. The return placed TRS in the top quartile of the Wilshire Trust Universe Comparison Service (TUCS) for the one-, three-, five-, and 10-year time periods. The System earned annualized returns of 13.4 percent for the three years ended June 30, 8.3 percent for the five-year period, and 9.4 percent over 10 years. The market value of TRS assets reached a fiscal year-end record high \$36.5 billion, up from \$34 billion one year ago.

"TRS continues to maintain a well-diversified investment portfolio designed to minimize risk and to maximize total investment returns," said Cynthia O'Neill, elected trustee of the Teachers' Retirement System Board of Trustees. "The expertise of TRS investment staff and our System's carefully selected asset managers helps generate top performance returns," said O'Neill, who serves as vice chair of the Board's Investment Committee. The following details performance in all asset classes during the year ending June 30:

- International equity led all asset classes with a return of 27.7 percent
- Private equity posted a 26.4 percent return
- Real estate earned 19.7 percent
- Domestic equity posted a 9.8 percent return
- Fixed income earned 0.2 percent

As of June 30, TRS held 42 percent of its assets in domestic equity, 23 percent in fixed income, 19 percent in international equities, 11 percent in real estate investments, and 4 percent in private equity.

The Teachers' Retirement System has been the top performing Illinois state pension fund for five out of the past six years. TRS provides retirement, disability and death benefits to teachers and administrators at Illinois public elementary and secondary schools outside the city of Chicago. The Fund serves 325,000 members and annuitants.

Note: All performance and return data is reported gross, or before, investment manager fees.

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